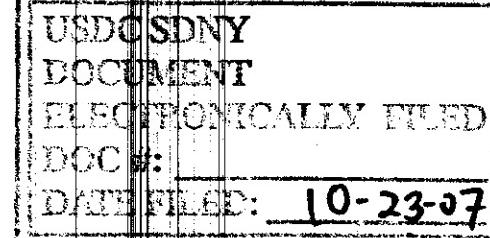


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

YVES SAINT LAURENT PARFUMS S.A. and YSL :
BEAUTÉ INC.,

Plaintiffs,
- against -
COSTCO WHOLESALE CORPORATION,
Defendant.

Civil Action No.
07-3214 (LBS)



STIPULATED ORDER OF PROTECTION

IT IS HEREBY STIPULATED AND AGREED by and between the parties to this
action, through their respective undersigned counsel, as follows:

1. Any party producing information in this action (whether through oral testimony, interrogatory answers, production of documents and things, answers to requests for admission, or otherwise) that the party reasonably and in good faith believes to be a trade secret or other confidential research, development, or commercial information entitled to protection under Rule 26 of the Federal Rules of Civil Procedure may designate such information to be “CONFIDENTIAL”, “CONFIDENTIAL - ATTORNEYS’ EYES ONLY” or “CONFIDENTIAL OUTSIDE ATTORNEYS’ EYES ONLY” as specified below. The term “CONFIDENTIAL” as defined herein as information that the disclosing party in good faith believes is information not publicly known that would be valuable to the disclosing party’s actual and potential competitors and that the disclosing party would not normally reveal to third parties without an agreement to maintain in its confidence. The term “CONFIDENTIAL - ATTORNEYS’ EYES ONLY” is defined herein as competitive analysis, non-public financial

information, competitive pricing information, strategic planning information, or other sensitive information the disclosure of which the disclosing party in good faith believes would cause direct harm to the competitive position of the disclosing party. The term "**CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**" is defined herein to include any information relating to the sources of supply of the repackaged goods that are the subject of this litigation. Information so designated and marked as specified below will thereafter be subject to the provisions of this Stipulated Order of Protection. The parties will designate documents as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** judiciously and in good faith and not indiscriminately.

2. Information shall not be designated as either **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** if it is acquired from a non-party in lawful possession of such information and under no obligation to the owner of the information to keep it confidential, unless the non-party producing the information invokes the protections of this Stipulated Order of Protection as set forth in paragraph 15 below.

3. Information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** shall be marked as follows:

a. Any information that is disclosed in writing (e.g., in a document or an interrogatory answer) shall be stamped or otherwise clearly marked **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** on each page of the writing on which such information is

disclosed. Stamping or marking of the writing as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** shall be done prior to production of the information by the producing party;

b. Any information that is disclosed through any other means of production (e.g., production of tangible things) shall be labeled or otherwise clearly marked **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** on each thing produced. Stamping or marking of the thing as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** shall be done prior to production of the information by the producing party;

c. Any information that is disclosed by oral testimony (e.g., at a deposition, hearing, or trial) shall be designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** by making an appropriate statement at the time of the testimony, or by so designating in writing within ten (10) days after receipt of the deposition transcript by the producing party. Any pages of a transcript containing information that has been designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** shall be stamped or marked **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** and shall be bound separately from the remaining portion of the transcript.

4. In the event that the producing party inadvertently fails to designate as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL**

OUTSIDE ATTORNEYS' EYES ONLY any information that is produced and that the producing party reasonably and in good faith believes should be so designated, the producing party may subsequently make such a designation by notifying opposing counsel in writing as soon as practicable. After receipt of such notification, the party to whom disclosure has been made will treat the information as if it had been designated **CONFIDENTIAL**.

CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY at the time that the information was produced, and, to the extent necessary, use reasonable efforts to retrieve such information from persons who are not entitled to receive such information. It is understood that no person or party shall incur liability with respect to any disclosure by the receiving party of information designated **CONFIDENTIAL**.

CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE

ATTORNEYS' EYES ONLY that was inadvertently disclosed without proper designation by the disclosing party, provided that such disclosure by the receiving party occurred prior to the receipt by the receiving party of a notice of the inadvertent disclosure without proper designation.

5. Any information marked **CONFIDENTIAL** may be disclosed only to:

- a. outside counsel of record to this action and necessary clerical and legal support personnel employed by such counsel;
- b. independent experts or independent consultants retained by counsel of record for purposes of this action, subject, however, to the provisions of paragraph 10(a) below;
- c. in-house legal counsel of a party and necessary clerical and legal support personnel employed by such counsel;
- d. one person who is a party or employee of a party who has been designated

by counsel for the receiving party, subject, however, to the provisions of paragraph 10(a) below;

- e. the Court and its employees;
- f. court reporters or videographers taking, transcribing, or recording testimony given at a deposition, hearing, or trial;
- g. litigation support services;
- h. persons who are identified on the face of a writing containing such information as the authors or recipients of the information;
- i. any other persons that the Court designates, in the interests of justice, on such terms that the Court deems proper.

6. Any information designated **CONFIDENTIAL - ATTORNEYS' EYES ONLY** may be disclosed only to:

- a. outside counsel of record to this action and necessary clerical and legal support personnel employed by such counsel;
- b. independent experts or independent consultants retained by counsel of record for purposes of this action, subject, however, to the provisions of paragraph 10(a) below;
- c. in-house legal counsel of a party and necessary clerical and legal support personnel employed by such counsel;
- d. the Court and its employees;
- e. court reporters or videographers taking, transcribing, or recording testimony given at a deposition, hearing, or trial;
- f. litigation support services;
- g. persons who are identified on the face of a writing containing such information as the authors or recipients of the information;

h. any other persons that the Court designates, in the interests of justice, on such terms that the Court deems proper.

7. Any information designated **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** may be disclosed only to:
- a. outside counsel of record to this action and necessary clerical and legal support personnel employed by such counsel;
 - b. independent experts or independent consultants retained by counsel of record for purposes of this action, subject, however, to the provisions of paragraph 10(a) below;
 - c. the Court and its employees;
 - d. court reporters or videographers taking, transcribing, or recording testimony given at a deposition, hearing, or trial;
 - e. litigation support services;
 - f. persons who are identified on the face of a writing containing such information as the authors or recipients of the information;

g. any other persons that the Court designates, in the interests of justice, on such terms that the Court deems proper.

8. Under no circumstance may information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** be disclosed to any person or entity other than those identified above without the prior written consent of the producing party. In the event that information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** is disclosed at a deposition, hearing, or trial, the disclosing party shall have the right to exclude from attendance at said

deposition, hearing, or trial any person other than the deponent and those persons identified in paragraph 5 above (with respect to information designated as **CONFIDENTIAL**) or paragraph 6 above (with respect to information designated as **CONFIDENTIAL - ATTORNEYS' EYES ONLY**) or paragraph 7 above (with respect to information designated as **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**).

9. In the event that a party receiving information that the producing party has designated **CONFIDENTIAL**, **CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** disagrees with the propriety of that designation, the parties will first try, in good faith, to resolve such dispute on an informal basis. If the parties are unable to resolve their dispute informally, either party may present the dispute to the Court for judicial resolution, and the Court may then determine whether the information should be designated **CONFIDENTIAL**, **CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**. The burden of proof shall be on the disclosing party to show that the designation is appropriate under this Order. All information whose designation as **CONFIDENTIAL** is disputed shall be treated as **CONFIDENTIAL** until such time as the Court determines or the parties agree otherwise. All information whose designation as **CONFIDENTIAL - ATTORNEYS' EYES ONLY** is disputed shall be treated as **CONFIDENTIAL - ATTORNEYS' EYES ONLY** until such time as the Court determines or the parties agree otherwise. All information whose designation as **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** is disputed shall be treated as **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** until such time as the Court determines or the parties agree otherwise.

10. Disclosure of information designated **CONFIDENTIAL or CONFIDENTIAL - ATTORNEYS' EYES ONLY** by the party receiving such information to any person referenced in subparagraph 5(d) above, shall be subject to the following conditions:

a. Information designated as **CONFIDENTIAL or CONFIDENTIAL - ATTORNEYS' EYES ONLY** may not be disclosed to a person under subparagraphs 5(b), 5(d), or 6(b) unless and until such person first executes a declaration in the form annexed hereto as Exhibit A and thereby agrees to be bound by the provisions of this Stipulated Order of Protection. In the case of a person under paragraph 5(d), counsel for the receiving party shall provide to counsel for the producing party copies of all such executed declarations promptly after such declarations have been executed and prior to the disclosure of the information designated as **CONFIDENTIAL or CONFIDENTIAL - ATTORNEYS' EYES ONLY**;

b. In the event that the producing party objects to disclosure of information designated **CONFIDENTIAL or CONFIDENTIAL - ATTORNEYS' EYES ONLY** to a person identified by the receiving party, and if the parties cannot resolve the dispute on an informal basis, then counsel for the receiving party may apply to the Court for a ruling on the objections of the producing party. In such event, counsel for the receiving party shall not disclose the information designated as **CONFIDENTIAL or CONFIDENTIAL - ATTORNEYS' EYES ONLY** unless and until the Court permits such disclosure.

11. Information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** that is included in any legal paper (i.e., a paper intended to be filed with the Court) served in this action, whether appended as an exhibit or incorporated into a pleading, affidavit, declaration, memorandum of law, or other legal document, shall be subject to the terms of this

Stipulated Order of Protection, and such information may be disclosed only to those persons identified in paragraph 5 above (with respect to information designated as **CONFIDENTIAL**) or paragraph 6 above (with respect to information designated as **CONFIDENTIAL - ATTORNEYS' EYES ONLY**) or paragraph 7 above (with respect to information designated as **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**). Any legal paper, document, or thing filed with the clerk of the Court that contains any information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** shall be stamped or marked **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** and shall be filed under seal with a cover sheet bearing the caption of this action and containing the following notice:

CONFIDENTIAL - SEALED BY ORDER OF THE COURT. FILED PURSUANT TO COURT ORDER TO BE OPENED ONLY AS DIRECTED BY THE COURT

Notwithstanding the foregoing, a second copy of any legal paper specifically intended for review by the Court may be hand-delivered to the Court's chambers for in camera review provided that the cover page of the legal paper be marked with the caption of the case and the notation: **CONTAINS CONFIDENTIAL INFORMATION.**

12. Notwithstanding the foregoing, where a party wishes to include in a legal paper a writing containing information that has been designated **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**, but the confidential information contained in such writing is not relevant to the purpose for which the writing is being offered to the Court, the party including such writing in a legal paper may, in lieu of the procedures set forth above, submit a redacted copy of the writing. In

such event, the redaction must be indicated by placing the designation "**REDACTED - CONFIDENTIAL INFORMATION**" in the place(s) on the writing in close proximity to where the confidential information would have appeared.

13. Except for material filed with the clerk of the Court or delivered to the Court as provided in paragraph 11 above, all materials containing information that has been designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** shall be stored under the direct control of counsel for the receiving party, who shall be responsible for preventing any disclosure thereof except in accordance with the terms of this Stipulated Order of Protection.

14. Written materials containing information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** may be copied by the receiving party subject to the following conditions:

a. All copying of written materials containing information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** must be done by:

- i. counsel for the receiving party;
- ii. persons employed by such counsel and under such counsel's supervision and control; or
- iii. an outside copying service or similar type service engaged by counsel, with the copies made delivered directly to counsel.

b. The number of copies that may be made of materials containing information designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES**

ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY shall be limited to those reasonably necessary for use by counsel and any independent experts or independent consultants retained by counsel. Only one (1) copy of materials designated **CONFIDENTIAL** may be provided to each of the persons referenced in paragraph 5(d) above (i.e., a designated party or employee of a party), who shall not make or permit to be made any additional copies

15. Except as set forth below or as otherwise agreed in writing by the producing party, within thirty (30) days after the conclusion of this action, whether by settlement, trial, appeal, or otherwise, all materials containing information designated as **CONFIDENTIAL**, **CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**, and all copies thereof, shall be (i) returned by counsel for the receiving party to counsel for the producing party or (ii) destroyed by counsel for the receiving party, in which event, a certificate of destruction shall be delivered to counsel for the producing party. Counsel for each party may retain copies of all legal papers (as defined in paragraph 10), work product, and deposition transcripts (including exhibits thereto) containing information designated **CONFIDENTIAL**, **CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**. The copies of these retained documents shall continue to be treated as **CONFIDENTIAL**, **CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** as the case may be.

16. Non-parties who provide information in response to a subpoena or discovery request may invoke the protection of this Stipulated Order of Protection by (i) designating that information **CONFIDENTIAL**, **CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** and (ii) signing a copy of this

Stipulated Order of Protection. Any non-party who invokes the protection of this Stipulated Order of Protection shall also be bound by its obligations.

17. All information provided in discovery in this action designated as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY**, may be used only for purposes of prosecuting or defending this action and for no other purpose whatsoever.

18. Nothing shall prevent disclosure otherwise prohibited by this Stipulated Order of Protection if the producing party (or its counsel) designating the material as **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** consents in writing to such disclosure.

19. Any party to this action that is served with a subpoena or other notice by a non-party in another proceeding requesting or compelling the production of any **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** information produced by a producing party in this action shall give immediate written notice to that original producing party of such subpoena or other notice. On receiving such notice, the original producing party shall bear the burden of opposing, if it deems appropriate, the subpoena or other notice.

20. This Stipulated Order of Protection is made and entered into without prejudice to the rights of any party to seek additional protection against discovery and relief from or modification of any provision contained herein.

21. Unless the parties stipulate in writing otherwise, the designation or acceptance of any information designated **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY or CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** pursuant to this

Protective Order shall not constitute an admission or acknowledgement by the receiving party that the materials so designated are in fact, proprietary, confidential, or a trade secret.

22. The parties shall be bound by the terms of this Stipulated Order of Protection prior to it being "so ordered" by the Court. This Stipulated Order of Protection shall remain in effect unless modified by an order of the Court or by written stipulation of the parties filed with the Court.

23. The parties consent to the continuing jurisdiction of the Court with respect to this Stipulated Order of Protection and any breach thereof, even after the termination of this action.

Respectfully submitted,

ARNOLD & PORTER LLP

By:

Louis S. Ederer
399 Park Avenue
New York, New York 10022
Telephone: 212-715-1000
Facsimile: 212-715-1399

**FRIED, FRANK, HARRIS, SHRIVER &
JACOBSON LLP**

By:

James W. Dabney
One New York Plaza
New York, New York 10004
Telephone: 212-859-8000
Facsimile: 212-859-4000

SO ORDERED:

Leonard B. Sand
LEONARD B. SAND, U.S.D.J.

Henry Pitman
WS:msj 10-18-07

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
YVES SAINT LAURENT PARFUMS S.A. and YSL :
BEAUTÉ INC., : Civil Action No.
: 07-3214 (LBS)

Plaintiffs,

- against -

COSTCO WHOLESALE CORPORATION,

Defendant.

-----X

DECLARATION

, declares as follows:

1. I acknowledge that I am about to receive information that has been designated **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** by the party producing such information.

2. I have been provided with a copy of the Stipulated Order of Protection in this action. I have read the Stipulated Order of Protection, and I understand its terms. I agree that, with respect to all information designated **CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY** or **CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY** that is disclosed to me, I am bound by all of the terms of the Stipulated Order of Protection as if I were the receiving party or counsel for the receiving party.

3. I agree that all notes that I might make that contain information designated
CONFIDENTIAL, CONFIDENTIAL - ATTORNEYS' EYES ONLY or
CONFIDENTIAL OUTSIDE ATTORNEYS' EYES ONLY shall be deemed to be
confidential information, and I agree that within thirty (30) days after the conclusion of this
action, I will destroy all notes containing such confidential information and deliver to counsel for
the producing party a certificate of destruction.

4. I submit to the jurisdiction of this Court for the purposes of enforcement of the
Stipulated Order of Protection and waive any and all objections to personal jurisdiction or venue.

**I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE
UNITED STATES THAT THE FOREGOING IS TRUE AND CORRECT.**

EXECUTED IN _____, ON _____, 2007.

Signature

Name: _____
Employer: Title: _____
Address:

